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# Tech for Justice Newsletter

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#### HAPPENING THIS WEEK AT THE LAWYERS HUB



The Lawyers Hub in collaboration with the Africa Digital Policy Institute has put together a comprehensive course tailored to equip participants with the necessary knowledge to be conversant with the GDPR and Data Protection Act 2019 To register: email hello@lawyershub.ke or signal +254784840228

# Safaricom Led consortium to kick off operations in August 2022

The Safaricom led consortium that won the license to operate in Ethiopia back in 2021 has announced that it will kick off its operations in August 2022 starting with Dire Dawa. Ethiopia is one of the world's largest closed telecom markets. The consortium includes parent firms Safaricom, Vodafone and Vodacom, British development finance agency CDC Group and Japan's Sumitomo Corporation.

#### Safaricom introduces interest free loans

In a partnership with Equity bank, Safaricom has unveiled a new product named 'Faraja' that takes semblance of the 'buy now pay later' model. The strategy is to maximise profits from the overwhelming increase in users of its Lipa na Mpesa product since its introduction in the market back in 2013. Faraja is owned by EdomX Ltd, a Kenyan based financial tech firm. Users will be able to buy goods and services ranging from sh20 - sh100,000 depending on their credit scores and will be expected to repay the same amount only plus the normal mpesa charges without interest and within 30 days. The product is presented to be a game changer in the mobile money market and is projected to give other digital lenders a run for their money including Safaricom's own Fuliza considering the latter's high interest rates.

#### Kenya power to unveil its own internet service

The state owned electricity house intends to join the fixed internet service market, competing with other ISPs and telcos. A report by the Communications Authority reveals that the fixed internet service market is still widely untapped. As at September last year, Safaricom garnered the most users at 37%, followed by the Wananchi group at 29.2%. Kenya Power's entry into the



market introduces new price wars. The company has entered into a 20 yr lease agreement with Safaricom to use their fibre cables. It made other 5yr partnerships with Jamii Telkom and the Wananchi group. Kenya Power already has an advantage in exploring rural areas and creates a gamble for other existing ISPs who rely on Kenya Power Network to sell data.



## STARTUP NEWS

## Kenya's Sunrise Digital Homeschooling Project

Back in 2016, the Sunrise Homeschool began as a tutor centre facilitating one on one tutor-student meetups. Down the line, after establishing that their initial model was costly and inefficient, they briefly shifted to Google classrooms before deciding to develop their own portal officially launched in 2021. They offer an Internationally recognized curricula, as shared by Ben Kairu, the company's CEO - "We offer approved international curriculums, our students receive high quality, affordable, convenient education transmitted virtually, and after they are done with high school, they get to attend any university of their choice globally since the exams are recognised worldwide. Since launch, we have thousands of students registered on our portal from over 15 different countries, and the demand keeps growing. This is impressive growth once you consider we have not done any major marketing drives so far. The majority of clients have been referred by other clients and no major outside capital has been obtained so far. We have students from the US, all the way to China, and in-between. It's a virtual product and accessible to students across the globe. There has been some technicality that comes with time differences, but we are in the midst of a solution that we shall be launching soon."



# African streaming service Mdundo signs deal with Universal Music Group

African streaming service Mdundo has finalized a deal with the world's largest record company- Universal Music Group, allowing Mdundo's 17 million users access to UMG's music catalog. "Our focus is to provide a relevant service to the hundreds of millions of potential users in Africa that are getting online. We are extremely pleased to work with Universal Music within Africa towards our vision of providing Africa with an easy and legal solution to accessing music that fits the local consumers," noted Mdundo founder and CEO Martin Nielsen. The partnership was facilitated through UMG's subsidiary, Universal Music Africa. Prior to this deal, Mdundo entered other agreements with MTN, Airtel, and Vodacom as it pushes for an increase in users and earnings.

Our focus is to provide a relevant service to the hundreds of millions of potential users in Africa that are getting online.

Martin Nielsen Mdundo founder and CEO





Catalyst Fund raises \$3.5m from FSD Africa to accelerate and scale preseed impact ventures in Africa

Global inclusive tech accelerator Catalyst Fund, managed by BFA Global, has secured a US\$3.5 million investment from specialist development agency FSD Africa to anchor its presence in Africa, and scale its work as a leading accelerator and pre-seed impact fund for emerging market entrepreneurs. Catalyst Fund supports inclusive tech innovators in emerging markets offering inclusive solutions for underserved and climate-vulnerable communities. FSD Africa, meanwhile, is a specialist development agency working to help make finance work for Africa's future.

To date, Catalyst Fund has backed 61 startups across emerging markets that have together raised more than US\$573 million in follow-on funding and reached over 13.2 million low-income customers. The next cohort of startups will feature fintech solutions that build the resilience of underserved and climate vulnerable communities in emerging markets.With FSD Africa's backing, Catalyst Fund will invest and offer hands-on venture building support to high-impact startups that improve the resilience of underserved and climate-vulnerable communities, with a goal to support 40 pre-seed impact ventures in Africa.



## DATA PROTECTION NEWS

Shanghai data leak: data of one billion Chinese Citizens allegedly hacked in Shanghai data leak



This week in China was flooded by news detailing what could potentially be the biggest and worst data leak reported when confirmed. Hackers from an online hacking forum known as Breach Forums claimed to have obtained about 24 terabytes of sensitive data and case records of Chinese citizens. They further announced a sale of the data going for \$200,000 worth of bitcoin. The data is yet to be independently verified and Shanghai police station is yet to release a statement. Despite that assertion, should the leak be verified, the negative implications on the Chinese government's political influence and Citizen's privacy will be massive. In the meantime, censors have since been hoisted on Chinese Social Media platforms to block keyword searches for "Shanghai data leak", an effort to lull the resulting unrest. That's one angle, in another light, censorship presents a potential issue by impacting public opinion and impairing civil discourse that may arise around the alleged breach in such spaces.

#### Europe's Digital Covid Certificate success demonstrates milestone for cross-border sharing of health data

Two years ago during the pandemic, the European Union launched digital covid certificates to facilitate the return to cross border travelling while managing the coronavirus pandemic. The number of Vaccines certificates issued since the launch is more than 1.8billion certificates. The project that took about three months to be finalized was successfully adopted and enabled through a partnership between the World Health Organization and the European Union. The process included the creation process, curating a concise(privacy-sensitive) and well packaged list (considering the small space availed by the QR codes in the certificates) containing only necessary health data relating to the vaccination status of the individual. At the moment the process doesn't store one's data in its database after check-in. The successful launch of the EU's digital covid certificates demonstrated the demand for interoperability and coordination among governments and international organisations for systems that run across borders to function properly. Importantly, this new feat outlines the possibility of what could be achieved by defensible health data sharing in global crises such as pandemics and beyond.

## **LEGAL-TECH** NEWS

#### Legal Tech Funding Dips This Quarter

New data from Legal Complex, a legal analytics company, shows that the expected VC investment crunch for legal tech appears to have arrived, with the lowest number of funding rounds this Quarter since late 2018 and with a notable drop in the total value of investments.

According to an <u>illustrative chart</u> by the company, in Q2 2022, the number of funding rounds for legal tech companies was 78 with a total value of \$1.33 bn, down from Q1 2022 figures of a total value \$1.75 bn with 115 funding rounds. The last recorded low funding rounds for legal tech was in Q4 2018, where there were 77 rounds. In short, after a period of stellar investment activity, there is now a discernible drop.

# Scaling contract management for the growing legal team



A 2022 ContractWorks survey of 350 in-house legal professionals from the United States and the United Kingdom, revealed that the Pandemic accelerated legal tech adoption by an average of three years, fueled by the shift to remote work. According to the 2022 In-house Legal Tech Report by Contract-Works, 37% of the in-house legal teams had adopted contract management software during the pandemic. Contract management topped the list of solutions adopted over the last twoplus years and is the highest priority solution going forward. But even today, many legal teams can adequately manage their contracts using a combination of spreadsheets, shared drives, and one-off calendar alerts. While these tools can provide much-needed functionality for legal departments, cobbledtogether solutions can sometimes make organization difficult and time- consuming, especially as the number of contracts grows or the complexity of these agreements demands more robust reporting and insight. Every department across an organization relies on contracts with vendors, service providers, and other partners to operate effectively, and when all of those agreements are stored in one central, secure location, Legal can maintain visibility and oversight of the company's complete contract portfolio. And with help from contract management software, other departments can still access the contracts relevant to their work, allowing Legal to strengthen cross-functional relationships and share some of the responsibilities of tracking and managing contract terms and milestones.



## DIGITAL ID



#### ID4Africa 2022 annual general meeting

From June 15th to June 30th, the ID4Africa annual general meeting 2022 was held in Marrakesh, Morocco. The forum brought together distinguished digital identity communities, governments, and global biometric vendors to showcase their solutions for digital identity issues. The workshop themes focused on four key issues: 'How will we achieve full birth registration by 2030?' How can travel across borders be frictionless? How to encourage the public's interest in identity? And how can digital public goods benefit governance in general?' The overarching theme was 'solving for identity in order to promote development.' To encourage registration, an emphasis was placed on communicating id projects as increasing access to services. Furthermore, groups tasked with raising public awareness were urged to be responsive and involve people at the grassroots level to increase the capability of id projects to meet real needs.

# Nigeria set to deploy biometrics to tackle manipulation in upcoming census

An official from Nigeria's National Population Commission revealed in a press statement that the country's upcoming population will use biometrics and other advanced digital technology to ensure data accuracy and quality. As a result, one million people will be recruited electronically to assist with the process. Given the importance of population results in national planning, federal influence, and resource entitlement, census in Nigeria is particularly politically sensitive and thus vulnerable to manipulation by ill-intentioned officials. "Technology is open to manipulation, but NPC has gone a step higher by having an updated technological innovation that can prevent multiple registrations. The biometric technology will capture your face and fingerprints. This will go to the server and any similar information supplied will be noticed and expunged from the data immediately," remarked Deji Ayaji, NPC official.



## BLOCKCHAIN AND DIGITAL CURRENCIES NEWS

# US Treasury suggests harmonization of crypto regulation

The cryptocurrency market has recently been plagued by controversies. This was not unexpected in a market that was largely unregulated at first and is highly volatile. Governments around the world are now stepping in to develop regulations to address the majority of the issues plaguing the cryptocurrency market, such as financial instability and terrorism financing. In a framework submitted to US President Joe Bidden on July 7th, the US Treasury suggested a harmonization of standards across borders. As shared in a public official statement by the US treasury "Uneven regulation, supervision, and compliance across jurisdictions creates opportunities for arbitrage and raises risks to financial stability and the protection of consumers, investors, businesses, and markets." Proponents believe that this approach would mitigate the effects of permissive anti-money laundering and terrorism financing regulations, which fuel price arbitrage and instability in cryptocurrency markets.

#### Central African Republic plans to launch Africa's first Crypto Hub

CAR's president, Mr Faustin Touadera continues to demonstrate his enthusiasm in crypto adoption for his country even as other government officials from the International community including the International Monetary Fund express their disapproval. As shared in a tweet, President Faustin sounds confident and enthusiastic crypto will be the country's new gold in this digital age. He also believes cryptocurrency will be a great asset for the Country to drive innovation and foreign investment providing a new turn for the country which was listed as the UN's second least developed country in the world. On July 4th, the Sango Crypto Hub was launched, however more details and technicalities supporting more functionalities are yet to be developed.





## POLICY UPDATE

#### Guideline on the registration of Data Controllers and Data Processors

The Office of the Data Protection Commissioner, Kenya, has published a guidance note on the registration of Data Controllers and Data processors ahead of the commencement of registration on 14th July. The registration portal is now open. See obligations <u>here</u>

#### Traffic Amendment bill 2022

The bill signed into law by President Uhuru Kenyatta allows the return of alcoblow on Kenyan roads. Drivers and conductors of PSVS to continue wearing special uniforms as prescribed by the Registrar of Motor Vehicles.

#### Huduma Bill Debate

Members of Parliament hold a special sitting on Wednesday 13th July to debate huduma bill for considerations before a decision is made to pass the bill.

# County Governments Additional Allocations Bill

Tabling of report of the budget and appropriations committee on the county government additional allocations bill (Senate Bill No2 of 2022)

# Proposed presumptive tax for small scale farmers

Small scale farmers might start paying a presumptive tax should treasuries proposal to increase tax revenue be adopted.

#### KRA revenue gains

Aggressive efforts by KRA in tax collection including spying tools to increase tax collected and curb fraud realised an increase in revenue in the closing financial year by a fifth.

## PRODUCT HUNT



# Netflix is partnering with Microsoft for its new ad-supported tier

Netflix is partnering with Microsoft for its upcoming ad-supported streaming tier, the <u>company an-</u><u>nounced Wednesday</u>. The streaming service says Microsoft will become its "global advertising technology and sales partner" upon rolling out the cheaper option. It is believed that part of the reason Microsoft was picked is that, unlike Comcast and Google, two other companies reportedly in the running to assist with its ad build-up, Microsoft doesn't have a video service of its own that competes with Netflix. "It's very early days and we have much to work through," Netflix COO Greg Peters writes in the post. "But our long-term goal is clear. More choice for consumers and a premium, better-than-linear TV brand experience for advertisers. We're excited to work with Microsoft as we bring this new service to life."

Netflix first hinted at a cheaper, ad-supported tier in May and later confirmed the possibility last month. Although Netflix hasn't announced an official date for the tier's rollout, it's rumored to become available to customers by the end of 2022. News of Netflix's adsupported tier emerged after the company revealed a decrease in subscribers for the first time in a decade last quarter, topping out at 222 million globally.

## **EVENTS**

#### Africa Internet Governance Forum 2022- 19 – 21st July 2022

The Africa Internet Governance Forum is bringing together multiple stakeholders in the internet ecosystem around the globe along with youth internet governance advocates and enthusiasts. The 2022 AFIGF will feature discussions on some of today's most pressing Internet governance and digital policy issues.

#### US - Africa Business Summit 2022

The event is hosted by the Corporate Council of Africa in partnership with the Kingdom of Morocco. It convenes about 1000 or more public and private sector decision makers, stakeholders and investors. <u>Register here</u>.

#### Lagos Startup Week 6th Edition

The 6th Lagos startup week is set up to take place on July 25th -30th. The event will be a hybrid event, with the first three days taking place virtually. The last days will be held at Federal Palace Hotel in Victoria, bringing together industry leaders, founders and investors. Visit their <u>website</u> for more details.

#### **EdTech Africa Summit**

EdTech Africa Summit 2022 brings together educators, students, school leaders, policy makers and other stakeholders across the region and globally to contribute their perspectives toward the advancement of education in Africa through digitization. The Summit will take place from 20th to 27th November at SaritExpo-Centre. <u>Register here</u>.